## Senate



General Assembly

File No. 482

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February Session, 2018

Substitute Senate Bill No. 490

Senate, April 12, 2018

The Committee on Planning and Development reported through SEN. CASSANO, S. of the 4th Dist. and SEN. LOGAN of the 17th Dist., Chairpersons of the Committee on the part of the Senate, that the substitute bill ought to pass.

# AN ACT CONCERNING LOCAL GOVERNMENTS, SHARED MUNICIPAL SERVICES AND REGIONAL FINANCING OPTIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 2-79a of the 2018 supplement to the general
- statutes is repealed and the following is substituted in lieu thereof
- 3 (Effective July 1, 2018):
- 4 (a) There shall be a Connecticut Advisory Commission on
- 5 Intergovernmental Relations. The purpose of the commission shall be
- 6 to enhance coordination and cooperation between the state and local
- 7 governments. The commission shall consist of the president pro
- 8 tempore of the Senate, the speaker of the House of Representatives, the
- 9 minority leader of the Senate, the minority leader of the House of
- Representatives, the Secretary of the Office of Policy and Management,
- 11 the Commissioners of Education, Energy and Environmental
- 12 Protection, Economic and Community Development, or their
- designees, and [sixteen] <u>seventeen</u> additional members as follows: (1)

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Six municipal officials appointed by the Governor, four of whom shall 14 15 be selected from a list of nominees submitted to him by the 16 Connecticut Conference of Municipalities and two of whom shall be 17 selected from a list submitted by the Council of Small Towns. Two of 18 such six officials shall be from towns having populations of twenty 19 thousand or less persons, two shall be from towns having populations 20 of more than twenty thousand but less than sixty thousand persons 21 and two shall be from towns having populations of sixty thousand or 22 more persons; (2) two local public education officials appointed by the 23 Governor, one of whom shall be selected from a list of nominees 24 submitted to him by the Connecticut Association of Boards of 25 Education and one of whom shall be selected from a list submitted by 26 the Connecticut Association of School Administrators; (3) one 27 representative of a regional council of governments appointed by the 28 Governor from a list of nominees submitted to him by the [Regional 29 Planning Association of Connecticut Connecticut Association of 30 Councils of Governments; (4) five persons who do not hold elected or 31 appointed office in state or local government, one of whom shall be 32 appointed by the Governor, one of whom shall be appointed by the 33 president pro tempore of the Senate, one of whom shall be appointed 34 by the speaker of the House of Representatives, one of whom shall be 35 appointed by the minority leader of the Senate and one of whom shall 36 be appointed by the minority leader of the House of Representatives; 37 (5) one representative of the Connecticut Conference of Municipalities 38 appointed by said conference; [and] (6) one representative of the 39 Council of Small Towns appointed by said council; and (7) one 40 representative of the Connecticut Alliance of Regional Educational 41 Service Centers appointed by said alliance. Each member of the 42 commission appointed pursuant to subdivisions (1) to [(6)] (7), 43 inclusive, of this subsection shall serve for a term of two years. All 44 other members shall serve for terms which are coterminous with their 45 terms of office. The Governor shall appoint a chairperson and a vice-46 chairperson from among the commission members. Members of the 47 General Assembly may serve as gubernatorial appointees to the 48 commission. Members of the commission shall not be compensated for

their services but shall be reimbursed for necessary expenses incurred in the performance of their duties.

- (b) The commission shall: (1) Serve as a forum for consultation among state and local government officials; (2) conduct research on intergovernmental issues; (3) encourage and coordinate studies of intergovernmental issues by universities, research and consulting organizations and others; (4) initiate policy development and make recommendations for consideration by all levels and branches of government regarding issues including, but not limited to, the efficiency of state and local services; and (5) annually develop a list of priorities and focus areas for services and initiatives for use in awarding grants from the regional performance incentive program established pursuant to section 4-124s, as amended by this act. The commission shall issue, from time to time, public reports of its findings and recommendations and shall issue, annually, a public report on its activities.
- (c) On or before October 1, 2019, and [every four years] thereafter at the discretion of the commission, the commission shall submit to the General Assembly a report which recommends actions to enhance the efficiency of the delivery of services at municipal and state levels and lists each existing state mandate, as defined in subsection (a) of section 2-32b, and [which] (1) categorizes each mandate as constitutional, statutory or executive, (2) provides the date of original enactment or issuance along with a brief description of the history of the mandate, and (3) analyzes the costs incurred by local governments in implementing the mandate. In each report the commission may also make recommendations on state mandates for consideration by the commission. [On and after October 1, 1996, the] Such report shall be submitted to the joint standing [committee] committees of the General Assembly having cognizance of matters relating to appropriations and budgets of state agencies and local governments, to any other joint standing committee of the General Assembly having cognizance and, upon request, to any member of the General Assembly. A summary of the report shall be submitted to the official legislative electronic mail

address of each member of the General Assembly. [if the summary is two pages or less and a notification of the report shall be submitted to each member if the summary is more than two pages. Submission shall be by mailing the report, summary or notification to the legislative address of each member of the committees or the General Assembly, as applicable.] The provisions of this subsection shall not be construed to prevent the commission from making more frequent recommendations [on] concerning enhancements in the efficiency of the delivery of services or state mandates.

- [(d) Commencing on or before the second Wednesday after the convening of the 1997 regular session of the General Assembly, and every year thereafter except a year in which a report is filed pursuant to subsection (c) of this section, the commission shall submit to the General Assembly a supplement to the report required in said subsection (c) identifying any new mandates adopted and any mandates changed in the previous year.]
- [(e)] (d) The Office of Policy and Management shall provide such staff as is necessary for the performance of the functions and duties of the Connecticut Advisory Commission on Intergovernmental Relations. Such persons may be exempt from the classified service.
- Sec. 2. Subsection (c) of section 4-124s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2018):
  - (c) (1) A regional council of governments, an economic development district, a regional educational service center or a local or regional board of education shall submit each proposal in the form and manner the secretary prescribes and shall, at a minimum, provide the following information for each proposal: (A) Service or initiative description; (B) the explanation of the need for such service or initiative; (C) the method of delivering such service or initiative on a regional basis; (D) the organization that would be responsible for regional service or initiative delivery; (E) a description of the population that would be served; (F) the manner in which regional

service or initiative delivery will achieve economies of scale; (G) the amount by which participating municipalities will reduce their mill rates as a result of savings realized; (H) a cost benefit analysis for the provision of the service or initiative by each participating municipality and by the entity or board of education submitting the proposal; (I) a plan of implementation for delivery of the service or initiative on a regional basis; (J) a resolution endorsing such proposal approved by the legislative body of each participating municipality; and (K) an explanation of the potential legal obstacles, if any, to the regional provision of the service or initiative.

- (2) The secretary shall review each proposal and shall award grants for proposals the secretary determines best meet the requirements of this section. In awarding such grants, the secretary shall (A) give priority to a proposal submitted by [(A)] (i) any entity specified in subsection (a) of this section that includes participation of all of the member municipalities of such entity, and which may increase the purchasing power of participating municipalities or provide a cost savings initiative resulting in a decrease in expenses of such municipalities, allowing such municipalities to lower property taxes, [(B)] (ii) any economic development district, and [(C)] (iii) any local or regional board of education, and (B) take into consideration the list of priorities and focus areas developed by the Connecticut Advisory Commission on Intergovernmental Relations pursuant to subsection (b) of section 2-79a, as amended by this act.
- Sec. 3. Section 29-297 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2018*):
  - (a) The <u>chief executive officer of any town, city or borough, in consultation with the</u> board of fire commissioners or, in the absence of such board, any corresponding authority of each town, city or borough, or, if no such board or corresponding authority exists, the legislative body of each city, the board of selectmen of each town or the warden and burgesses of each borough, or, in the case of an incorporated fire district, the executive authority of such district shall

appoint a local fire marshal and such deputy fire marshals, fire inspectors and other fire code inspectors or fire investigators as may be necessary. In making such appointment, preference shall be given to a member of the regular or volunteer fire department of such municipality. Each local fire marshal shall be sworn to the faithful performance of his or her duties by the clerk of the town, city, borough or fire district and shall continue to serve in that office until removed for cause. Such clerk shall record his or her acceptance of the position of local fire marshal and shall report the same in writing to the State Fire Marshal within ten days thereafter, giving the name and address of the local fire marshal and stating the limits of the territory in which the local fire marshal is to serve.

- (b) The chief executive officer of any town, city or borough, in consultation with the board of fire commissioners or, in the absence of such board, any corresponding authority of each town, city or borough or, if no such board or corresponding authority exists, the legislative body of each city, the board of selectmen of each town or the warden and burgesses of each borough or, in the case of an incorporated fire district, the executive authority of such district may, upon the death, disability, dismissal, retirement or revocation of certification of the local fire marshal, and in the absence of an existing deputy fire marshal, appoint a deputy fire marshal as the acting fire marshal for a period not to exceed one hundred eighty days.
- Sec. 4. (NEW) (*Effective July 1, 2018*) Notwithstanding any provision of the general statutes, any local or regional school district may develop a school transportation services plan based on the number of students utilizing school transportation services in order to maximize efficiencies and cost savings within such school district. The board of education of such school district may approve and implement such plan.
- Sec. 5. (NEW) (*Effective July 1, 2018*) On or before July 1, 2019, the Secretary of the Office of Policy and Management shall adopt regulations, in accordance with the provisions of chapter 54 of the

general statutes, governing the processes of municipal consolidation and merger by two or more contiguous municipalities. Such regulations shall include, but not be limited to, a comprehensive timetable of events and goals that shall be achieved in the consolidation or merger process.

Sec. 6. Subsection (b) of section 4-66g of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1*, 2019):

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Office of Policy and Management for a small town economic assistance program the purpose of which shall be to provide grants-in-aid to any municipality, [or] group of municipalities or regional council of governments, provided the municipality and each participating municipality that is part of a group of municipalities or regional council of governments is not economically distressed within the meaning of subsection (b) of section 32-9p, does not have an urban center in any plan adopted by the General Assembly pursuant to section 16a-30 and is not a public investment community within the meaning of subdivision (9) of subsection (a) of section 7-545. Such grants shall be used for purposes for which funds would be available under section 4-66c. No group of municipalities or regional council of governments may receive an amount exceeding in the aggregate five hundred thousand dollars per participating municipality in such group or region in any one fiscal year under said program. No individual municipality may receive more than five hundred thousand dollars in any one fiscal year under said program, except that any municipality that receives a grant under said program as a member of a group of municipalities or regional council of governments shall continue to be eligible to receive an amount equal to five hundred thousand dollars less the amount of such municipality's proportionate share of such grant. Notwithstanding the provisions of this subsection and section 4-66c, a municipality that is (1) a distressed municipality within the meaning of subsection (b) of section 32-9p or a public

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investment community within the meaning of subdivision (9) of subsection (a) of section 7-545, and (2) otherwise eligible under this subsection for the small town economic assistance program may elect to be eligible for said program individually or as part of a group of municipalities in lieu of being eligible for financial assistance under section 4-66c, by a vote of its legislative body or, in the case of a municipality in which the legislative body is a town meeting, its board of selectmen, and submitting a written notice of such vote to the Secretary of the Office of Policy and Management. Any such election shall be for the four-year period following submission of such notice to the secretary and may be extended for additional four-year periods in accordance with the same procedure for the initial election.

- Sec. 7. Section 4-66h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
  - (a) There is established an account to be known as the "Main Street Investment Fund account" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Department of Housing for the purposes of providing grants not to exceed five hundred thousand dollars to municipalities with populations of not more than thirty thousand, [or] municipalities eligible for the small town economic assistance program pursuant to section 4-66g for eligible projects as defined in subsection (d) of this section or regional councils of governments. Municipalities shall apply for such grants in a manner to be determined by the Commissioner of Housing. Said commissioner may contract with a nonprofit entity to administer the provisions of this section.
  - (b) In awarding such grants, the commissioner shall determine that an eligible project advances the municipality's <u>or region's</u> approved plan pursuant to subdivision (2) of subsection (d) of this section. Such advancements may include, but need not be limited to, <u>zoning and</u> design guideline development, facade or awning improvements;

sidewalk improvements or construction; street lighting; building renovations, including mixed use of residential and commercial; landscaping and development of recreational areas and greenspace; bicycle paths; and other improvements or renovations deemed by the commissioner to contribute to the economic success of the municipality.

(c) A grant received pursuant to this section shall be used for improvements to property owned by the municipality <u>or participating municipalities</u>, except the municipality <u>or regional councils of governments</u> may use a portion of the proceeds of such grant to provide a one-time reimbursement to owners of commercial private property for eligible expenditures that directly support and enhance an eligible project. The maximum allowable reimbursement for such eligible expenditures to any such owner shall be fifty thousand dollars, to be provided at the following rates: (1) Expenditures equal to or less than fifty thousand dollars shall be reimbursed at a rate of fifty per cent, and (2) any additional expenditures greater than fifty thousand dollars but less than or equal to one hundred fifty thousand dollars shall be reimbursed at a rate of twenty-five per cent.

#### (d) For the purposes of this section:

(1) "Eligible expenditures" include expenses for planning, cosmetic and structural exterior building improvements, signage, lighting and landscaping that is visible from the street, including, but not limited to, exterior painting or surface treatment, decorative awnings, window and door replacements or modifications, storefront enhancements, irrigation, streetscape, outdoor patios and decks, exterior wall lighting, decorative post lighting and architectural features, but do not include (A) any renovations that are solely the result of ordinary repair and maintenance, (B) improvements that are required to remedy a health, housing or safety code violation, or (C) nonpermanent structures, furnishings, movable equipment or other nonpermanent amenities. Eligible expenditures also include reasonable administrative expenses incurred by a nonprofit entity or regional council of governments

contracted with by the Department of Housing to implement the provisions of this section.

- (2) "Eligible projects" means projects that are part of a plan previously approved by the governing body of the municipality or regional council of governments to develop or improve town commercial centers to attract small businesses, promote commercial viability, and improve aesthetics and pedestrian access.
- Sec. 8. Section 4-66m of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
  - (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate four million nine hundred thirty-seven thousand one hundred forty-nine dollars.
  - (b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Secretary of the Office of Policy and Management for the purpose of providing grants-in-aid under the intertown capital equipment purchase incentive program established pursuant to subsection (c) of this section.
- (c) (1) There is established an intertown capital equipment purchase incentive program to provide grants to municipalities to jointly acquire or for regional councils of governments to acquire or jointly acquire, on and after October 1, 2011, by purchase or by lease, equipment and vehicles necessary to the performance or delivery of a required governmental function or service.
  - (2) Grant funds may be used for acquisition costs of (A) equipment with an anticipated remaining useful life of not less than five years from the date of purchase or entry into a lease, including, but not limited to, data processing equipment that has a unit price of less than

one thousand dollars, that a municipality <u>or region covered by a regional council of governments</u> uses in the performance or delivery of a required governmental function or service, and (B) a maintenance vehicle, pick-up truck, tractor, truck tractor or utility trailer, as each said term is defined in section 14-1, or any other similar type of vehicle that a municipality <u>or region covered by a regional council of governments</u> uses in the performance or delivery of a required governmental function or service. Each grant shall be not more than eighty per cent of the total acquisition cost of such equipment or vehicle, or three hundred seventy-five thousand dollars, whichever is less.

- (3) Not later than September 1, 2011, the Secretary of the Office of Policy and Management shall develop guidelines to establish (A) the procedures to apply for and the administration of the intertown capital equipment purchase incentive program, (B) criteria for the expenditure of grant funds and the method of allocation of a grant among the municipalities or regional councils of governments that jointly acquire or lease equipment or a vehicle set forth in subdivision (2) of this subsection, and (C) prioritization for the awarding of grants pursuant to this section, including, but not limited to, any limits in a given time frame on (i) the number of times a municipality may apply, or (ii) the dollar amount of grant funds a municipality may receive, pursuant to this section.
- (4) Not later than October 1, 2011, and annually thereafter, the Secretary of the Office of Policy and Management shall publish a notice of grant availability and solicit proposals for funding under the intertown capital equipment purchase incentive program. Municipalities or regional councils of governments eligible for such funding pursuant to the guidelines developed under subdivision (3) of this subsection may file applications for such funding at such times and in such manner as the secretary prescribes. The secretary shall review all grant applications and make determinations as to which acquisitions to fund and the amount of grants to be awarded in accordance with the guidelines developed under subdivision (3) of this

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(d) All provisions of section 3-20, or the exercise of any right or power granted thereby, which are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

- Sec. 9. Subsection (b) of section 29-5 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2019*):
  - (b) Notwithstanding the provisions of subsection (a) of this section, the Commissioner of Emergency Services and Public Protection shall appoint [a] resident state [policeman] <u>policemen</u> to serve in [a pilot program] <u>an</u> assignment for two <u>or more</u> towns lacking an organized police force or constabulary and located within the jurisdiction of the same state police troop pursuant to a memorandum of agreement with

380 towns requesting participation. [in the pilot program. Towns

- 381 participating in the pilot program] Participating towns shall be
- responsible for the costs and expenses of such resident state policeman
- as provided in subsection (a) of this section.
- Sec. 10. Section 10-241c of the 2018 supplement to the general
- 385 statutes is repealed and the following is substituted in lieu thereof
- 386 (*Effective January 1, 2019*):
- Notwithstanding any special act, municipal charter or home rule
- ordinance, the legislative body of a municipality and the local board of
- 389 education for such municipality shall consult [when possible]
- 390 regarding the joint purchasing of <u>health insurance</u>, property insurance,
- 391 casualty insurance and workers' compensation insurance. For the
- 392 purpose of this section, "municipality" means any town, city, borough,
- 393 consolidated town and city or consolidated town and borough.
- Sec. 11. Section 10-241d of the 2018 supplement to the general
- 395 statutes is repealed and the following is substituted in lieu thereof
- 396 (*Effective January 1, 2019*):
- Any local board of education for a municipality, after going out to
- 398 bid for a good or service and receiving submissions, shall consult with
- 399 the legislative body of such municipality if such municipality provides
- or uses such good or service, and, if the equivalent level of such good
- 401 or service is provided by such municipality or through a municipal
- 402 contract for a lower cost than the lowest qualified bid submission
- 403 received by such local board of education, such board of education
- 404 shall [consider] enter into a cooperative agreement with such
- 405 municipality for the provision of such good or service. For purposes of
- 406 this section, "good or service" includes, but is not limited to, portable
- 407 classrooms, motor vehicles or materials and equipment, such as
- 408 telephone systems, computers and copy machines.
- Sec. 12. Section 10-241e of the 2018 supplement to the general
- 410 statutes is repealed and the following is substituted in lieu thereof
- 411 (*Effective January 1, 2019*):

Each local board of education for a municipality shall, [consult] when possible, enter into a cooperative agreement with the legislative body of such municipality prior to purchasing payroll processing or accounts payable software systems. [to determine whether such systems may be purchased or shared on a regional basis.]

- Sec. 13. Subsection (b) of section 10-287 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- (b) (1) All orders and contracts for school building construction receiving state assistance under this chapter, except as provided in subdivision (2) of this subsection, shall be awarded to the lowest responsible qualified bidder [only] through a cooperative purchase contract available through a regional educational service center or regional council of governments, or after a public invitation to bid, which shall be advertised on the Department of Administrative Services' Internet web site or in a Connecticut newspaper, [having circulation in the town in which construction is to take place,] except for (A) school building projects for which the town or regional school district is using a state contract pursuant to subsection (d) of section 10-292, and (B) change orders, those contracts or orders costing less than ten thousand dollars and those of an emergency nature, as determined by the Commissioner of Administrative Services, in which cases the contractor or vendor may be selected by negotiation, provided no local fiscal regulations, ordinances or charter provisions conflict.
  - (2) All orders and contracts for architectural or construction management services shall be awarded from a pool of not more than the four most responsible qualified proposers after a public selection process. Such process shall, at a minimum, involve requests for qualifications, followed by requests for proposals, including fees, from the proposers meeting the qualifications criteria of the request for qualifications process. Public advertisements shall be required in a newspaper having circulation in the town in which construction is to

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take place, except for school building projects for which the town or regional school district is using a state contract pursuant to subsection (d) of section 10-292. Following the qualification process, the awarding authority shall evaluate the proposals to determine the four most responsible qualified proposers using those criteria previously listed in the requests for qualifications and requests for proposals for selecting architectural or construction management services specific to the project or school district. Such evaluation criteria shall include due consideration of the proposer's pricing for the project, experience with work of similar size and scope as required for the order or contract, organizational and team structure for the order or contract, past performance data, including, but not limited to, adherence to project schedules and project budgets and the number of change orders for projects, the approach to the work required for the contract and documented contract oversight capabilities, and may include criteria specific to the project. Final selection by the awarding authority is limited to the pool of the four most responsible qualified proposers and shall include consideration of all criteria included within the request for proposals. As used in this subdivision, "most responsible qualified proposer" means the proposer who is qualified by the awarding authority when considering price and the factors necessary for faithful performance of the work based on the criteria and scope of work included in the request for proposals.

Sec. 14. Subsection (a) of section 4b-91 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2019*):

(a) (1) As used in this section, "prequalification classification" means the prequalification classifications established by the Commissioner of Administrative Services pursuant to section 4a-100, "public agency" has the same meaning as provided in section 1-200, "awarding authority" means the Department of Administrative Services, except "awarding authority" means (A) the Joint Committee on Legislative Management, in the case of a contract for the construction of or work on a building or other public work under the supervision and control

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of the joint committee, (B) a constituent unit of the state system of higher education, in the case of a contract for the construction of or work on a building or other public work under the supervision and control of such constituent unit, or (C) the Military Department, in the case of a contract for the construction of or work on a building or other public work under the supervision and control of said department and "community court project", "downtown Hartford higher education center project", "correctional facility project", "juvenile detention center project" and "priority higher education facility project" have the same meanings as provided in section 4b-55.

- (2) Except as provided in subdivision (3) of this subsection, every contract for the construction, reconstruction, alteration, remodeling, repair or demolition of any public building or any other public work by the state that is estimated to cost more than five hundred thousand dollars shall be awarded to the lowest responsible and qualified general bidder who is prequalified pursuant to section 4a-100 on the basis of competitive bids in accordance with the procedures set forth in this chapter, after the awarding authority has invited such bids by posting notice on the State Contracting Portal. The awarding authority shall indicate the prequalification classification required for the contract in such notice.
- (3) The requirements set forth in subdivision (2) of this subsection shall not apply to (A) a public highway or bridge project or any other construction project administered by the Department Transportation, or (B) a contract awarded by the Commissioner of Administrative Services for (i) any public building or other public works project administered by the Department of Administrative Services that is estimated to cost one million five hundred thousand dollars or less, (ii) a community court project, (iii) the downtown Hartford higher education center project, (iv) a correctional facility project, (v) a juvenile detention center project, or (vi) a student residential facility for the Connecticut State University System that is a priority higher education facility project.

(4) Every contract for the construction, reconstruction, alteration, remodeling, repair or demolition of any public building or any other public work by a public agency that is paid for, in whole or in part, with state funds and that is estimated to cost more than five hundred thousand dollars shall be awarded to a bidder that is prequalified pursuant to section 4a-100 after the public agency has invited such bids by posting notice on the State Contracting Portal, unless such agency is utilizing a cooperative bid contract offered through a regional educational service center or regional council of governments, and except for (A) a public highway or bridge project or any other construction project administered by the Department Transportation, or (B) any public building or other public works project administered by the Department of Administrative Services that is estimated to cost one million five hundred thousand dollars or less. The awarding authority or public agency, as the case may be, shall indicate the prequalification classification required for the contract in such notice.

(5) (A) The Commissioner of Administrative Services may select contractors to be on lists established for the purpose of providing contractor services for the construction, reconstruction, alteration, remodeling, repair or demolition of any public building or other public works project administered by the Department of Administrative Services involving an expense to the state of one million five hundred The commissioner shall use thousand dollars or less. prequalification classifications established pursuant to section 4a-100 to determine the specific categories of services that contractors may perform after being selected in accordance with this subparagraph and subparagraph (B) of this subdivision and awarded a contract in accordance with subparagraph (C) of this subdivision. commissioner may establish a separate list for projects involving an expense to the state of less than five hundred thousand dollars for the purpose of selecting and utilizing the services of small contractors and minority business enterprises, as such terms are defined in section 4a-60g.

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The commissioner shall invite contractors submit to qualifications for each specific category of services sought by the department by posting notice of such invitation on the State Contracting Portal. The notice shall be in the form determined by the commissioner, and shall set forth the information that a contractor is required to submit to be considered for selection. Upon receipt of the submittal from the contractor, the commissioner shall select, for each specified category, those contractors who (i) are determined to be the most responsible and qualified, as such terms are defined in section 4b-92, to perform the work required under the specified category, (ii) have demonstrated the skill, ability and integrity to fulfill contract obligations considering their past performance, financial responsibility and experience with projects of the size, scope and complexity required by the state under the specified category, and (iii) for projects with a cost exceeding five hundred thousand dollars, have the ability to obtain the requisite bonding. The commissioner shall establish the duration that each list remains in effect, which in no event may exceed three years.

(C) For any public building or public works project involving an expense to the state of one million five hundred thousand dollars or less, the commissioner shall invite bids from only those contractors selected pursuant to subparagraphs (A) and (B) of this subdivision for the specific category of services required for the particular project. The commissioner shall determine the form of bid invitation, the manner of, and time for, submission of bids, and the conditions and requirements of such bids. The contract shall be awarded to the lowest responsible and qualified bidder, subject to the provisions of sections 4b-92 and 4b-94. In the event that fewer than three bids are received in response to an invitation to bid under this subdivision, or that all the bids are in excess of the amount of available funds for the project, the commissioner may negotiate a contract with any of the contractors submitting a bid, or reject the bids received and rebid the project in accordance with this section.

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This act shall take effect as follows and shall amend the following				
sections:				
Section 1	July 1, 2018	2-79a		
Sec. 2	July 1, 2018	4-124s(c)		
Sec. 3	July 1, 2018	29-297		
Sec. 4	July 1, 2018	New section		
Sec. 5	July 1, 2018	New section		
Sec. 6	January 1, 2019	4-66g(b)		
Sec. 7	from passage	4-66h		
Sec. 8	from passage	4-66m		
Sec. 9	January 1, 2019	29-5(b)		
Sec. 10	January 1, 2019	10-241c		
Sec. 11	January 1, 2019	10-241d		
Sec. 12	January 1, 2019	10-241e		
Sec. 13	from passage	10-287(b)		
Sec. 14	January 1, 2019	4b-91(a)		

**PD** Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

#### **OFA Fiscal Note**

#### State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Treasurer, Debt Serv.	GF - Potential	See Below	See Below
	Cost		

Note: GF=General Fund

#### Municipal Impact: See Below

#### Explanation

The bill makes several changes to statutes regarding local governments and regional councils of government.

**Sections 6 through 8** make regional Councils of Government (COGs) eligible for grants from the Small Town Economic Assistance Program, Main Street Investment Fund, and Intertown Capital Equipment Purchasing Incentive Program. These programs are supported by General Obligation (GO) bonds. The bill does not change GO bond authorizations relevant to these programs.

Future General Fund debt service costs may be incurred sooner under the bill to the degree that the bill causes authorized GO bond funds to be expended more rapidly than they otherwise would have been.

To the extent that grants are awarded to COGs as a result of the bill, the amount of funding available for municipalities via these grant programs may be reduced.

Sections 10 through 12 require local boards of education to enter cooperative purchasing agreements for certain goods, services, and

software under certain conditions. To the extent that this facilitates the sharing of services between municipalities and boards of education, there is a savings that will vary based on the provisions of the purchasing agreements.

**Section 13** allows municipalities to advertise bidding opportunities for certain school construction contracts online. This results in a potential, minimal savings as this would preclude municipalities from posting such opportunities in newspapers.

The other provisions of the bill make changes to certain requirements of the Office of Policy and Management, the Advisory Commission on Intergovernmental Relations, and local municipalities and boards of education. These changes have no fiscal impact.

#### The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and bond spending levels.

## OLR Bill Analysis sSB 490

# AN ACT CONCERNING LOCAL GOVERNMENTS, SHARED MUNICIPAL SERVICES AND REGIONAL FINANCING OPTIONS.

#### SUMMARY

This bill makes changes in laws affecting local government and regional councils of governments (COGs). Among other things, it:

- 1. adds one member to the Advisory Commission on Intergovernmental Relations and modifies the commission's mandate (§ 1);
- 2. broadens the factors the Office of Policy and Management (OPM) must consider in awarding Regional Performance Incentive Program (RPIP) grants (§ 2);
- 3. makes municipal chief executive officers responsible for appointing fire marshals and acting fire marshals (§ 3);
- 4. specifies that municipalities may develop student transportation plans based on transportation usage (§ 4);
- 5. requires OPM to adopt regulations governing the process for municipal consolidation or merger (§ 5);
- 6. makes COGs eligible for several municipal grant programs (§§ 6-8);
- 7. authorizes the Department of Emergency Services and Public Protection (DESPP) commissioner to appoint a state trooper to an assignment in two or more non-adjoining municipalities (§ 9);
- 8. requires greater coordination between boards of education and municipalities with respect to purchasing goods and services (§§

10-12);

9. increases options for providing notice of school construction project bidding opportunities (§ 13);

10. makes it easier for state agencies and municipalities to use cooperatively bid contracts offered through a regional education service center (RESC) or COG (§ 14); and

11. makes minor, technical, and conforming changes.

EFFECTIVE DATE: Various, see below.

## § 1 — ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

#### **Broadened Mandate**

The Advisory Commission on Intergovernmental Relations studies the relationship between state and local governments and recommends solutions to issues it identifies. The bill additionally requires the commission to (1) make recommendations on the efficiency of state and local services and (2) annually develop a list of service and initiative priorities and focus areas for OPM to consider when awarding RPIP grants (see below).

#### New Member

The bill adds to the commission a representative of the Connecticut Alliance of Regional Educational Service Centers, selected by such alliance. Like other appointed members, the representative's term is two years.

### Reporting Requirement

While retaining current law's requirement that the commission submit by October 1, 2019 a report to the legislature on locally funded state mandates on municipalities, the bill eliminates a requirement that the commission reissue the report every four years and update it annually. Instead, after 2019, the commission may submit the report at its discretion.

Under the bill, the report due in 2019 and any subsequent reports the commission opts to submit must include recommendations for enhancing service delivery efficiency at the state and local level. Under current law, the report must be submitted to the Appropriations Committee and any other committee of cognizance. Under the bill, it must also be submitted to the Planning and Development Committee.

The bill eliminates a requirement that each legislator be notified by mail of the report. Instead, the commission must email a summary of the report to each legislator.

EFFECTIVE DATE: July 1, 2018

#### § 2 — RPIP GRANTS

The bill require the OPM secretary to consider the Advisory Commission on Intergovernmental Relations' list of service and initiative priorities and focus areas (see § 1, above) when awarding RPIP grants. Under existing law, OPM must prioritize certain grant proposals (e.g., proposals submitted by local and regional boards of education).

OPM awards RPIP grants to municipalities and regional entities for (1) the joint provision of a service that is currently provided, but not on a regional basis; (2) a planning study regarding the joint provision of a service on a regional basis; (3) shared information technology services; or (4) costs associated with connecting to the statewide high-speed network (i.e., Nutmeg Network).

EFFECTIVE DATE: July 1, 2018

### § 3 — APPOINTMENT OF LOCAL FIRE MARSHALS

The bill makes chief executive officers of towns, cities, and boroughs responsible for appointing local and acting fire marshals. Appointments must be made in consultation with the entity that is responsible for appointing these individuals under current law.

Under current law, fire marshals and acting fire marshals are

appointed by a municipality's board of fire commissioners or corresponding authority or, if no such authority exists, the municipality's legislative body, board of selectmen, or warden and burgesses, as appropriate. (An acting fire marshal is appointed if there is no existing deputy fire marshal following the death, disability, dismissal, retirement, or certificate revocation of the local fire marshal.)

Under existing law and the bill, in the case of incorporated fire districts, the district's executive authority appoints the local fire marshal and deputy fire marshals.

EFFECTIVE DATE: July 1, 2018

#### § 4 — SCHOOL TRANSPORTATION PLANS

The bill specifies that local and regional (1) school districts may develop school transportation services plans based on the number of students using school transportation services, in order to realize cost savings and efficiencies, and (2) boards of education may approve and implement such plans. The bill's authorization applies regardless of any conflicting statutes.

EFFECTIVE DATE: July 1, 2018

#### § 5 — MUNICIPAL CONSOLIDATION REGULATIONS

The bill requires the OPM secretary, by July 1, 2019, to adopt regulations governing the process for municipal consolidation or merger by two or more contiguous municipalities. The regulations must include a comprehensive timetable of events and goals that the consolidation or merger process will achieve.

(By law, the merger of two municipalities, or the creation of a new one, can only be accomplished by special act.)

EFFECTIVE DATE: July 1, 2018

# § 6 — SMALL TOWN ECONOMIC ASSISTANCE PROGRAM (STEAP) GRANTS

The bill makes COGs eligible for STEAP grants. Under current law,

only municipalities and groups of municipalities are eligible. The bill applies to COGs the same parameters that apply to groups of municipalities applying for STEAP grants (e.g., each municipality participating in the application is eligible for a maximum of \$500,000 in grant funds per fiscal year).

By law, STEAP grants fund, among other things, economic development, social service-related, and quality-of-life capital projects in municipalities that do not receive Urban Action funds.

EFFECTIVE DATE: January 1, 2019

### § 7 — MAIN STREET INVESTMENT FUND (MSIF) GRANTS:

The bill makes COGs eligible for MSIF grants. Under current law, only municipalities (1) with populations of 30,000 or fewer or (2) that are eligible for STEAP grants, are eligible for MSIF grants.

#### Approved Plan

As is the case for municipalities under current law, the bill requires COGs, before applying for a MSIF grant, to approve a plan for developing or improving town commercial centers to (1) attract small business, (2) promote commercial viability, and (3) improve aesthetics and pedestrian access.

Under existing law and the bill, MSIF grants may be used to further such plans or reimburse private commercial property owners who make expenditures that directly support or enhance the applicant's projects.

### Advancing the Plan

Before awarding a grant, the OPM secretary must determine that a proposed project advances the applicant's plan. Under existing law, landscaping, street light installation, and building renovations, among other things, may be deemed to advance plans. The bill specifies that zoning and design guideline development may also advance a plan.

#### Eligible Expenses

The bill expands the definition of eligible expenses to allow grantees to spend funds on (1) planning (presumably, planning for developing or improving commercial centers) and (2) reasonable administrative expenses incurred by a COG that the Department of Housing contracts with to implement the MSIF program.

EFFECTIVE DATE: Upon passage

# § 8 — INTERTOWN CAPITAL EQUIPMENT PURCHASE INCENTIVE PROGRAM

The bill makes COGs, and two or more COGs applying jointly, eligible for Intertown Capital Equipment Purchase Incentive Program grants.

Under current law, the grant program helps municipalities jointly buy or lease needed vehicles or capital equipment (e.g., maintenance vehicles, data processing equipment). Municipalities must use the vehicles or equipment to perform or deliver a required government function or service. The bill specifies that any vehicle or equipment a COG acquires must be used by the region the COG covers to perform or deliver a required government function or service.

EFFECTIVE DATE: Upon passage

### § 9 — RESIDENT STATE TROOPERS

The bill generally requires the DESPP commissioner to appoint resident state troopers to serve an assignment in two or more municipalities lacking an organized police force. It makes a corresponding change to eliminate a pilot program that required her to appoint a resident state trooper to serve in an assignment in two municipalities lacking an organized police force.

As was the case for the pilot program, under the bill (1) the commissioner may assign a trooper to non-adjoining municipalities; (2) the assignment must be made only upon a municipality's request; and (3) participating municipalities pay (a) 85% of the cost of compensation, maintenance and other expenses of the first two

assigned troopers, (b) 100% of costs for any additional troopers, and (c) 100% of any overtime costs and the portion of fringe benefits directly associated with overtime costs.

EFFECTIVE DATE: January 1, 2019

#### § 10 — CONSULTATION BEFORE PURCHASING INSURANCE

Current law requires municipal legislative bodies and local boards of education, when possible, to consult one another about jointly purchasing property, casualty, and workers' compensation insurance. The bill (1) additionally requires consultation for health insurance and (2) eliminates current law's specification that consultations occur "when possible."

EFFECTIVE DATE: January 1, 2019

# § 11 — COOPERATIVE PURCHASING AGREEMENTS FOR GOODS AND SERVICES

Current law requires a local board of education, after receiving bids for a good or service, to consult with the municipal legislative body to determine whether the municipality provides or uses the good or service. If so, and it is provided equivalently by the municipality or through a municipal contract at a lower cost than the lowest qualified bid received by the board, current law requires the board to consider a cooperative agreement with its host municipality for the good or service. Instead of requiring boards to "consider" a cooperative agreement, the bill requires boards to enter into such agreements.

Under the existing law and the bill, a "good" or "service" includes portable classrooms; motor vehicles; and materials and equipment, such as telephone systems, computers, and copy machines.

EFFECTIVE DATE: January 1, 2019

# § 12 — COOPERATIVE PURCHASING AGREEMENTS FOR CERTAIN SOFTWARE

Current law requires local boards of education to consult with the municipality's legislative body before purchasing payroll processing or

accounts payable software systems to determine whether they may be purchased or shared on a regional basis. The bill instead requires boards of education, "when possible," to enter cooperative agreements before purchasing such software.

EFFECTIVE DATE: January 1, 2019

#### §§ 13 & 14 — BIDDING OPPORTUNITIES

### Exemption from Bidding Requirements (§ 14)

Generally, for state construction contracts valued at \$500,000 or more, the contracting agency (i.e., state or municipal agency) must invite bids through the State Contracting Portal and award the contract to a Department of Administrative Services (DAS)-prequalified bidder. The bill exempts from this requirement projects for which the contracting agency is using a cooperative bid contract offered through a RESC or COG.

### Notice of Bidding Opportunity (§ 13)

Under current law, with limited exceptions, bidding opportunities for school building construction orders and contracts involving state funds must be noticed in a newspaper that circulates in the town where the construction will occur. The bill instead allows these bidding opportunities to be advertised (1) in any Connecticut newspaper or (2) on DAS' website.

The bill also exempts from the notice requirement any school building construction order or contract awarded through a cooperative purchase contract offered through a RESC or COG.

EFFECTIVE DATE: January 1, 2019, except the notice provision is effective upon passage.

#### COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute Yea 22 Nay 0 (03/26/2018)